

EXHIBIT A

TO REGISTRATION STATEMENT

Under the Foreign Agents Registration Act of 1938, as amended

*Furnish this exhibit for EACH foreign principal listed in an initial statement
and for EACH additional foreign principal acquired subsequently.*

1. Name and address of registrant Dickstein, Shapiro & Morin 2101 L Street, N. W. Washington, D. C. 20037	2. Registration No. 3028
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3. Name of foreign principal Kuwait Airways	4. Principal address of foreign principal 30 Rockefeller Plaza New York, New York 10022
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5. Indicate whether your foreign principal is one of the following type:

☐ Foreign government

☐ Foreign political party

☒ Foreign or ☐ domestic organization: If either, check one of the following:

☐ Partnership

☐ Committee

☒ Corporation

☐ Voluntary group

☐ Association

☐ Other (specify) _____

☐ Individual - State his nationality _____

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6. If the foreign principal is a foreign government, state: Not applicable

a) Branch or agency represented by the registrant.

b) Name and title of official with whom registrant deals.

7. If the foreign principal is a foreign political party, state: Not applicable

a) Principal address

b) Name and title of official with whom the registrant deals.

c) Principal aim

8. If the foreign principal is not a foreign government or a foreign political party,

a) State the nature of the business or activity of this foreign principal

Carrying out Air Transport business within and outside Kuwait.

b) Is this foreign principal

Owned by a foreign government, foreign political party, or other foreign principal Yes ☒ No ☐

Directed by a foreign government, foreign political party, or other foreign principal . . . Yes ☒ No ☐

Controlled by a foreign government, foreign political party, or other foreign principal . . Yes ☒ No ☐

Financed by a foreign government, foreign political party, or other foreign principal . . . Yes ☐ No ☒

Subsidized in whole by a foreign government, foreign political party, or other foreign principal Yes ☐ No ☒


Subsidized in part by a foreign government, foreign political party, or other foreign principal Yes ☒ No ☐

9. Explain fully all items answered "Yes" in Item 8(b). (If additional space is needed, a full insert page may be used.)

Kuwait Airways is the national flag carrier of the Government of Kuwait. Although originally a shareholder-owned entity, it is now a public institution with its own legal entity as defined in Law No. 21/1965 in connection with the Regulation of Kuwait Airways Corporation. (See attached Explanatory Memorandum.)

10. If the foreign principal is an organization and is not owned or controlled by a foreign government, foreign political party or other foreign principal, state who owns and controls it.

Not applicable

Date of Exhibit A April 2, 1980	Name and Title Leigh S. Ratiner, Partner	Signature 
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UNITED STATES DEPARTMENT OF JUSTICE
Washington, D.C. 20530

EXHIBIT B

TO REGISTRATION STATEMENT
Under the Foreign Agents Registration Act
of 1938, as amended

INSTRUCTIONS: A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements; or, where no contract exists, a full statement of all the circumstances, by reason of which the registrant is acting as an agent of a foreign principal. This form shall be filed in duplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

Name of Registrant	Name of Foreign Principal
Dickstein, Shapiro & Morin	Kuwait Airways

Check Appropriate Boxes:

- ☐ The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach two copies of the contract to this exhibit.
- ☒ There is no formal written contract between the registrant and foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach two copies of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
See Attachment 1.
- ☐ The agreement or understanding between the registrant and foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and the expenses, if any, to be received.

- Describe fully the nature and method of performance of the above indicated agreement or understanding.

See Attachment 2.

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5. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

See response to Item 4 above.

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?^{1/} Yes ☒ No ☐

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

See response to Item 4 above.

Date of Exhibit B	Name and Title	Signature
April 2, 1980	Leigh S. Ratiner, Partner	

^{1/} Political activity as defined in Section 1(o) of the Act means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

EXPLANATORY MEMORANDUM

For the Law Pertaining to

The Kuwait Airways Corporation

The Kuwait Airways Corporation started its activities in its capacity as a share-holding company, and then the ownership of its shares became collectively vested in the State. It could still have been possible despite this fact for the Corporation to maintain its legal form as a share-holding company and as a private legal entity because the nature of its business is commercial and because it is allowable under the Commercial Code and under the Commercial Companies Law for the State to set up share-holding companies of its own, fully owned by the State. Yet despite these practical considerations, the Corporation was considered one of the public institutions. Law No. 19/63 was promulgated whereby its budget was approved and in accordance with which, the Corporation became subject to all the provisions that pertain to the State budget. This is a matter which although apparently realises the nation's control (as represented by its Parliament) over the activities of its Corporation and over its financial status, yet the actual state of affairs proves otherwise. The reason for this being that the Kuwait Airways Corporation is a commercial enterprise whose yearly income and expenditure cannot be predicted in advance. Every assessment of such income and expenditure, particularly the income, rests primarily on conjecture and any such assessment mostly fails before the fluctuations of the market and the contingencies of the future. And so the submission of the Corporation to all the provisions applicable to the budget of the State did not achieve the

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required object because this absolute submission is incompatible with the flexibility necessary to enable the Corporation at all times to face the strong competition of the other airlines and to orient its position with the requirements of the developing economic circumstances.

For all these reasons in order to enable the Corporation to achieve its aims and objectives, and in order to render the legislation compatible with the actual state of affairs (and normally it should be so) it was deemed fit to prepare the draft of the accompanying Law. The first article of the Law provides for preserving the legal form of the Corporation as a public institution and maintaining at the same time its commercial style, which it had at the date when its ownership passed to the Government, and within the limits provided in this Law. This provision ensures the return of the Corporation to its original nature in this capacity as a shareholding company and what follows therefrom in terms of its none-restrictability to the revelations of the Government departments regarding its administrative system, or its transactions, or the preparation of its budget. It will be governed, subject to the provisions of this Law, by the rules relating to share-holding companies in the Commercial Companies Law. The assets of the Corporation shall also be considered, the assets privately owned by the State unless the assets have been ear-marked for the public welfare (Article 14 of the Law).

Also, the other articles of the Law have shown the objects of the Corporation (Article 2), its capital (Article 3) and its administrative procedure (Article 4 to 10 inclusive). The Law provided that the Board of Directors of the Corporation consisting of eight Directors who are appointed

and whose terms of office and remuneration is fixed by decision of the Minister of Finance and Industry, shall be the supreme authority over the affairs of the Corporation and the running of its business as well as the proposition of the general policy by which it should proceed. The Board of Directors may make in this respect, the resolutions it deems necessary to achieve the Corporation's objects in accordance with the provisions of this Law.

All this, while at the same time the Law provides for active control over the Corporation, whether on the part of the Government or on the part of Parliament as the former — represented by the Minister of Finance and Industry — vide Article 18 of the draft Law, shall exercise all the powers vested in the General Assemblies of shareholding companies as per the Commercial Companies Law. Thereby the permanent governmental control over all the organs of the Corporation shall be realised. Article 15 of the Law provides also that the Corporation shall submit its draft budget approved by competent authorities, to Parliament two months at least prior to the end of the fiscal year provided for by the Law, so that Parliament may examine and approve the draft budget. As an exception to Article 1 of the special Law pertaining to the general State budget, Article (12) of the accompanying Law provides that the fiscal year for the Corporation shall start from the 1st of January and end on the 31st of December of every year, with the exception of the first fiscal year, which shall start with effect from 1st April 1965 and end on 31st December 1965.

And so the opportunity shall be made available at all times for Parliament to exercise active control over the Corporation's activities through Parliament's control

of its annual budget and Financial Statement of Account (Articles 15 and 16 of the Law).

And without prejudice to the control of the Audit Bureau, Article 17 of the Law provides that the Board of Directors of the Corporation shall appoint an auditor to audit its accounts in accordance with the established practice relating to share-holding Companies.

And in view of the fact that a number of the personnel working in the Corporation were Government employees and the Government decided to solicit their assistance in the Corporation's management after having purchased all the Corporation's shares, it was decided to provide in Article 11 of the Law that it is permissible for Government employees to be loaned on secondment to the Corporation, and that decisions by the competent Minister be issued for such loan and for fixing the term thereof, in order to reserve their rights in respect of pension and periodic increments and promotion.

And so the accompanying Law has secured the realisation of the practical as well as the legal considerations, by enabling the Corporation to carry out its activities and to achieve its objects by pursuing flexible commercial practice while at the same time providing active control over the Corporation by the State.

MINISTER OF FINANCE AND INDUSTRY

ATTACHMENT 2 TO EXHIBIT B

4. Describe fully the nature and method of performance of the above indicated agreement or understanding.

Registrant will represent Kuwait Airways in all matters before the United States Government with respect to acquiring necessary authorizations for Kuwait Airways to fly to certain cities within the United States. Specifically, Registrant will draft and submit to appropriate officers and agencies applications for necessary permits and exemptions; make presentations to officials at the Civil Aeronautics Board and executive departments to urge timely and favorable action on such applications; and if appropriate, communicate with any other government officials.

KUWAIT AIRWAYS الخطوط الجوية الكويتية

Ref.: SSA-077/80

Feb. 07, 1980

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Mr. G. Joseph Minetti
DICKSTEIN, SHAPIRO & MORIN
2101 L Street, N.W.
Washington, D.C. 20037

Dear Mr. Minetti,

We have the pleasure to relay to you the decision taken by the Management of Kuwait Airways Corp. to retain the services of Dickstein, Shapiro & Morin for the purpose of obtaining from the Civil Aeronautics Board the traffic rights for Kuwait Airways to operate to the U.S.A.

This should, therefore, be considered as our "Letter of Acceptance" of the terms outlined in the Proposal prepared by your good services and Mr. Richard Littell, dated Jan. 14, 1980, that was submitted to our Head Office for their consideration.

It is, however, our wish that a Time-Schedule be presented to us as soon as possible by your goodselves, to enable us to follow-up with the proceedings and ensure that all the formalities involved are completed by the target dates.

We hope to receive from you, by return mail, your notice of agreement with the aforementioned.

At this time, we would like to extend our most sincere thanks for your kind cooperation and assistance and hope that the subject matter will be concluded at the satisfaction of all concerned.

We remain,

Very truly yours,

Gerard Tatpoussian
Manager, USA & Canada

/ad.

c.c.: Chairman/Managing Director-KWI.
Managing Director-KWI.
Economic Affairs & Planning Director-KWI.
Commercial Director-KWI.
Legal Director-KWI.

G. JOSEPH MINETTI
2101 L STREET, N. W.
WASHINGTON, D. C. 20037

December 6, 1979

Mr. Gerard Tatiossian
Manager USA and Canada
Kuwait Airways
30 Rockefeller Plaza
New York, New York 10020

Dear Mr. Tatiossian:

Richard Littell and I were pleased to meet with you and your associates yesterday. I want to confirm that our firm (including Mr. Littell and me) is available to represent Kuwait Airways before the U.S. Civil Aeronautics Board.

We believe that Kuwait Airways can make a strong case in favor of having the Civil Aeronautics Board and the President grant the airline permanent authority to fly to New York City and, perhaps, Houston and Los Angeles as well. The U.S. Government's past policy has been to oppose granting such authority in the absence of a bilateral agreement. But we think that this is an opportune time to urge a change of policy.

If retained by your company, we will make presentations before the Civil Aeronautics Board, the State Department and the White House in order to convince them that Kuwait Airways' request is justified by the strong trade and political ties between our two countries. We will also make every effort to find out whether Kuwait Airways can receive this authority by itself, rather than as part of a consortium with other Gulf countries.

Kuwait Airways' desire to begin U.S. operations by April 1980 appears to be a reasonable objective. In order to accomplish this, we recommend that Kuwait Airways file two applications. The first is for a permanent "foreign air carrier permit" (which is issued under Section 402 of the Federal Aviation Act, 49 USC 1372). The second application is for an "exemption" (issued under Section 416, 49 USC 1386). If the Civil Aeronautics Board and the President fail to issue the permanent permit by early spring, we can urge that Kuwait Airways be given an interim exemption allowing it to begin operations by April.

We should begin preparing the applications and supporting exhibits as soon as possible. We suggest that airline technical personnel

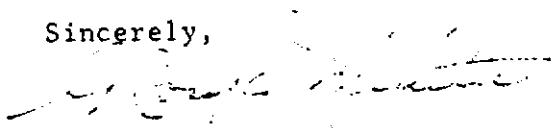
Mr. Gerard Tatiossian
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come to Washington for this purpose. We are prepared to supply your Legal Director with a list of needed information before he leaves for Kuwait later this month. Your technical personnel can study this list and bring much of the information to Washington. If this information is insufficient, we may be able to obtain additional data by mail. This preliminary work may make it unnecessary for us to come to Kuwait. Even if a trip to Kuwait becomes unavoidable, that trip will be more productive -- and shorter -- because of the preliminary work.

If our firm is retained, we will charge a fee based strictly upon the work performed at hourly rates. The hourly rate for Mr. Littell and me is \$150 an hour. If we ask one of our senior associates to aid us, the hourly rate for his time will be \$90. As you know, Mr. Littell and I are partners in a law firm of 56 lawyers. Kuwait Airways will have the entire law firm's resources at its disposal if it needs them. But if we have any tasks performed by junior lawyers or paraprofessionals, the hourly rate for their time will range from \$50 to \$25 an hour.

Our best estimate is that the cost of preparing and presenting Kuwait Airways' applications will be between \$10,000 and \$15,000. This estimate is based on our assumption that no government agency will object to Kuwait Airways' request. If there is an objection, the costs will increase. This will be especially true if the Civil Aeronautics Board decides to conduct evidentiary hearings on Kuwait Airways' applications. And, of course, objections would make it harder to persuade the Civil Aeronautics Board and the President to grant Kuwait Airways' request. In any event, we understand that your Embassy here will be willing to make strong representations in favor of speedy and favorable U.S. governmental action.

Sincerely,



G. Joseph Minetti

cc: Mr. Mahmoud Abu Ghaida
Mr. Robert Sensi